

## INFORMATION REPORT

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SUBJECT Work Stoppage in Rolling Mill of  
Altos Hornos de Vizcaya

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1. Workers in the rolling mills of the "La Iberia" plant (Sestao) of Altos Hornos de Vizcaya had not returned to work by 19 October 1950, after having been suspended on 25 September. The workers' position was strengthened by the inability of the company to obtain skilled labor from any other source, and they expected to be reinstated before the end of October with their demands met at least to the extent that their bonus per ton of metal plate produced would be increased by 2.4 pesetas. About 200 workers are affected.

25X1A 2. The dispute, [ ] had its roots in a demand made by the workers about September 1949 for special bonuses for the production of thin metal sheets. It was their contention that the production of thin sheets, which required as much work as the production of heavy plate, was not adequately compensated since the bonus was based on weight. Further proposals for the betterment of working conditions were advanced in March 1950, and were met with counterproposals by the company in July. The workers thereupon submitted new demands, as follows:

- Increase of 2.40 pesetas a ton on the bonus previously given.
- Regular compensation for the two hours weekly when the laminating cylinders are stopped for cleaning.
- Twenty-minute lunch period, with compensation at the basic daily rate.
- A supply of water buckets for each machine.
- Wankeen work shirt and trousers for each worker on each machine.
- An equalizing scale for bonus payments for thin sheets.

3. These demands were ignored, and the workers began a slowdown, threatening a full-scale strike if they were not granted a paid 20-minute rest period. The company acceded to this demand to avoid a strike. Demand (f) was rejected, but in a conference with the workers the company lawyer advanced

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- 2 -

the suggestion that the number of men on each machine be reduced from nine to eight, so that each man's share of the currently allowed bonus would be proportionately increased. The workers rejected the suggestion and about 15 September slowed down their production to the point covered by the minimum base pay. The company on 23 September posted a warning that if normal work were not resumed by 25 September the workers would be suspended without pay. The workers, unanimously agreeing to continue the slowdown until their demands were met, were greeted on 25 September with the threatened suspension.

4. The company has offered to compromise the dispute, but has refused to take any action in that direction until the men return to work. The workers have insisted that their demands must be met before they return to the factory. Meanwhile they reportedly are supporting themselves by odd jobs in small plants, on construction projects, etc.

5. The assistants to the engineer in charge of the department affected, [ ] have privately admitted that the workers are right and have blamed the impasse on the Chief Engineer, Ernesto DIAZ Varcla. The Syndicate Chiefs who have been attempting to settle the dispute also have admitted privately the justice of the workers' complaints, but publicly have sided with the company.

6. [ ] the majority of the directors of the company also recognized the justice of the workers' demands, but feared that granting them would bring on similar demands from the workers in the company's other rolling mills. The company reportedly is losing a large amount of money through the idleness of the machines.

7. Workers in other departments of the same plant reportedly were cool to suggestions that they take some action to indicate sympathy with their suspended co-workers. They felt, [ ] that such action would be dangerous for their security and would gain nothing for the suspended men.

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